

Job No.: ANK-112

Date: December 22, 2009

To: Julia Hajduk

From: Keith Jones



Harper
Houf Peterson
Righellis Inc.

ENGINEERS • PLANNERS
LANDSCAPE ARCHITECTS • SURVEYORS

**Project/Subject: Cannery PUD – December 8, 2009 Planning Commission Hearing
Open Record Comments**

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This memo is to provide a response to the issues raised by the Planning Commission and by public testimony and open record comments from the December 8, 2009 hearing. These issues are summarized below:

1) Open Space for Multi-family Open Space Requirement

The applicant finds that the requirement should not apply as explained in detail in the applicant's letter dated November 6, 2009 attached. These points are summarized below:

a. The Old Cannery Standards did not contemplate stand-alone multi-family

Clarification: if apartments are proposed above retail, this provision is not required so why would it be imposed just because there is no ground floor retail?

b. Open space is provided because of the PUD

Clarification #1: Additional public open space is required only by the PUD. If apartments were placed above retail this provision would not apply as a PUD would not be needed.¹ Further as explained in point #2 below a far more dense project could be built without a PUD.

Clarification #2: The primary open space proposed, the 12,000 square foot Cannery Square Plaza is highly improved (fountain, hardscape, lawn and covered areas) is centrally located for use both by residents as well as the entire citizenry.

¹ The two lots where the multi-family buildings are proposed are split zoned. The north half is Retail Commercial (RC) and the south half is High Density Residential (HDR). All of the property is in the Old Cannery Overlay which allows more intensive use than the underlying zone including 100% lot coverage and 4-story height limit. Stand-alone multi-family is only allowed in the RC portion of the lot as part of the PUD. Any multi-family built in RC as PUD must meet HDR standards. Therefore a PUD is proposed. Any standard can be varied as part of the PUD.

c. Provision is contrary to the purpose of the Old Cannery Standards

Clarification: The Old Cannery standards do not specify multi-family open space and this provision would not apply if apartments were placed above retail. Other projects have been built in Old Town without the open space requirement simply because they had ground floor retail.

2) **Density**

This issue was addressed in the memo dated December 1, 2009 attached. An analysis of the amount of density that could be constructed with and without the PUD was provided. The applicant found more dwelling units could be constructed without the proposed PUD than with. A total of 391 units could be built under the standard zoning and only 139 with the PUD. The applicant proposes 101 units well below the maximum allowed with or without a PUD.

The applicant would also like to clarify that the proposal is not a density transfer but a density cluster allowed under PUD Section 16.40.030(C). This is an important distinction since the applicant is not proposing to transfer additional density from constrained lands that could not otherwise be developed, but instead to **cluster** the allowed density on a portion of the site. Density was calculated from the net buildable acreage of the property and excluded sensitive areas and public right-of-ways. Since the gross acreage was not used in the calculation no density transfer is proposed.

3) **Phasing**

The PUD will take more than 24 months to complete and therefore is required to provide a phasing plan per Section 16.40.040(A). The phasing plan to be provided by the applicant is not sequential and some phases may be combined. The applicant will propose a phasing plan to respond to market demand and the then current market realities. This phasing plan, with some flexibility to be noted, will be submitted for approval by the Planning Commission as part of the applicant's initial PUD Final Development Plan submittal.

Traffic improvements and infrastructure must be in place to support each phase of development as required through conditions of approval. Each phase is required to have a detail final development plan approved by the Planning Commission to ensure compliance.

"Noted"

4) **Parking**

As previously provided, the parking planned for the proposed multifamily residential development is sufficient to meet code requirements for the City of Sherwood, without adjusting for the reduction allowed in the Old Town Overlay.

Additionally, the Applicant believes that the parking provided for the proposed residential development is consistent with parking provided at other existing apartment properties within the region. The following table compares five other multifamily properties, two of which are in the City of Sherwood, two in Tualatin, and one in Wilsonville, with the

proposed Cannery site residential project. The number of parking stalls per apartment unit provided at the Cannery residential project, at 1.45 parking stalls per residential unit, is within the range provided by the market comparables. However, when considering the size (number of bedrooms) for each of the comparable apartment properties, the number of parking stalls planned for the Cannery residential project is actually above the range indicated by the market comparables. The Applicant believes that this is the most realistic measure to predict actual parking needs.

Project Names:	Sunfield Lakes	Creekview Crossing	Forest Rim	Hedges Creek	Canyon Creek	Proposed Cannery Apts.
Project Location:	Sherwood	Sherwood	Tualatin	Tualatin	Wilsonville	Sherwood
						(Residential Only)
Studio/1 BD	40	19	154	204	84	69
2 BD	120	104	90	168	240	32
3 BD	40	60	56	36	48	0
Total Units	200	183	300	408	372	101
Total Parking	401	160	519	669	581	146
No. of Stalls / Unit	2.01	0.87	1.73	1.64	1.56	1.45
No. of Stalls / Bedroom	1.00	0.39	1.03	1.03	0.82	1.10

Finally, the total number of parking stalls planned for the proposed Cannery PUD compares favorably with the most recent residential and mixed-use projects developed in Sherwood – Creekview Crossing, Sherwood Lofts, Old Town Lofts, and Hunters Ridge. The total number of building square feet per parking stall (all uses combined) for the Cannery PUD is 449 sf per parking stall. As shown in the on the next page, the number of building sf per parking stall for other recent Sherwood projects range from 581 sf per parking stall at Hunters Ridge to 2,024 sf per stall at Old Town Lofts. The lower the sf per parking stall, the higher the ratio of parking to building square footage. Therefore, the total parking planned to be provided for the proposed Cannery PUD exceeds the amount of parking provided at these other recent Sherwood developments.

Even if an allowance is made for on-street parking adjacent to the two existing Old Town Sherwood projects (Sherwood Lofts and Old Town Lofts), the Cannery PUD ratio is far in excess of these mixed-use projects. Furthermore, the total parking count included for the Cannery PUD does not include the additional parking area on the south side of the railroad, west of Washington Street, which is operated by the City and proposed to be improved concurrent with the Cannery PUD public improvements. Including these additional parking stalls will further reduce the ratio of building sf per parking stall for the proposed Cannery PUD beyond the ratio show in the table below.



Project Name:	Creekview Crossing	Hunters Ridge	Old Town Lofts	Sherwood Lofts	Proposed Cannery PUD
Project Location:	Sherwood	Sherwood	Sherwood	Sherwood	Sherwood
No. Residential Units	183	64	4	8	101
Residential SF	220,581	82,903	3,959	13,010	80,508
Average SF / Unit	1,205	1,295	990	1,626.25	797
No. Live-work Units	-	-	4	-	-
Live-work SF	-	-	3,753	-	-
Average SF / Unit	N/A	N/A	938	N/A	N/A
Commercial Units	-	Unknown	1	Unknown	TBD
Commercial SF	-	28,054	1,552	3,180	53,600
Average SF / Unit	N/A	N/A	1,552	N/A	TBD
Total Combined SF	220,581	110,957	9,264	16,190	134,108
Total Parking Spaces	160	191	6	8	299
			(estimate)		
SF per Parking Stall	1,379	581	1,544	2,024	449

We trust that this memo address concerns raised by the Planning Commission and the public.

Also attached are comments from Tom Nelson, the City Economic Development Manager, that further addresses comments raised.



ANK-112

November 6, 2009

Julia Hajduk
Planning Manager
City of Sherwood
22560 SW Pine Street
Sherwood, OR 97140



RE: Cannery Square PUD November 3, 2009 Staff Report Recommendation to the Planning Commission (PUD 09-01)

Dear Julia:

Thank you for your assistance on this project. This letter is to address recommended Condition E-13 of the November 3, 2009 staff report. Just prior to the staff report being issued it was discovered that Section 16.142.020, open space for multi-family dwellings, had not been addressed and may apply to the project. Therefore Condition E-13 is recommended by staff to address this standard if the Planning Commission determines that it does apply. However, the applicant believes that the provision should not apply to the project as the PUD open space requirements supersede this requirement and because the standard is not consistent with the Old Town Overlay. This judgment is based on the following:

1) The Old Cannery Design Standards did not contemplate a stand-alone multi-family building.

In review of the Old Town Overlay District permitted uses (Section 16.162), the code provides for mixed-use buildings and not stand-alone multi-family buildings. In particular, Section 16.162.080 states that these design standards are for commercial, institutional and mixed-use structures with no mention of multi-family structures. The standards even contemplated mixed-use buildings in the High Design Residential (HDR) zone as Retail Commercial (RC) uses are allowed on the ground floor near Columbia Street.¹ Since stand-alone multi-family buildings were not contemplated, exemption from the multi-family open space requirement was not provided. This is the case with newer projects in Old Town. The Old Town Lofts for example did not provide open space since it is a mixed-use project and not a stand-alone multi-family structure.

Although each proposed multi-family building when reviewed by itself does not meet this standard, the applicant finds that the desired mixture of uses as envisioned by the Old Town Overlay is being created at the neighborhood scale with this PUD. In other words, commercial and residential is being provided in the same project and the project is mixed-use when viewed as a whole. The flexibility of the PUD is only allowed on larger scale projects such as this one, as the minimum PUD site size is 5 acres.

2) The open space requirements have been met through the PUD standards.

The applicant has provided an extensive narrative citing how the proposal complies with various standards, criteria and policy. In particular page 22 and 23 of the applicant's

¹ Retail Commercial (RC) uses are allowed in High Density Residential (HDR) zones within 100 feet of Columbia Street per Section 16.162.030.H.

narrative provide details on the PUD open space requirements. The applicant finds that the PUD standards that would not be required in a standard development should be required in place of the multi-family open space standard.

In addition to meeting the PUD open space standards, the applicant is proposing interior common areas within each multi-family building for the exclusive use of the residents. While building design is conceptual and will not be fully defined until the final development plan stage, the buildings will include space for use as lounges, meeting areas, recreation/fitness, and/or other uses based on then current market demand.

3) Provision is for suburban-type development and contrary to Old Town Standards and purpose.

The applicant believes that this provision is intended for areas of the City that are not as walkable or close to the amenities provided within Old Town. Certainly suburban areas attract families with children who would utilize this type of space. The intent of this project and the Old Town Overlay is to provide higher densities and create urban spaces that efficiently use limited urban land. The higher densities provide housing for more people downtown with the intent that they venture out from their residences and use the public plazas, coffee shops, library, restaurants, walking paths, community center, the proposed Cannery Square and other pedestrian-scale amenities of Old Town and surrounding parklands.

The applicant is requesting that this project be reviewed in its entirety as an overall neighborhood concept and PUD. In doing this we believe what is being proposed is consistent with the vision for Old Town and the intent of the PUD. Therefore the applicant respectfully requests that this standard not apply as part of the PUD approval and that Condition E-13 be removed from the Planning Commission recommendation to the City Council.

Thank you again for all your assistance on this project and we look forward to presenting it to the Planning Commission next Tuesday evening.

Sincerely,

HARPER HOUF PETERSON RIGHELLIS INC.

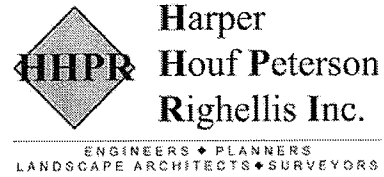


Keith B. Jones, AICP
Senior Planner

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Kurt Lango, Lango Hanson



Job No.: ANK-112
 Date: December 1, 2009
 To: Julia Hajduk
 From: Keith Jones



Project/Subject: Cannery PUD – November Planning Commission Hearing Follow-up.

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This memo is to provide a response to the issues raised by the Planning Commission and by public testimony at the November 10, 2009 hearing. These issues are itemized below:

1) Parking amount for multi-family buildings

Concern was raised about the amount of parking provided for the multi-family buildings. Multi-family parking standards are 1.25 spaces per dwelling unit for studio and 1-bedroom and 1.5 spaces per unit for 2-bedroom per Section 16.94.020. The Old Cannery Area allows for a reduction to 65% of the minimum off-street parking required per Section 16.162.070-C. The applicant meets the off-street parking standard and also is providing on-street parking as overflow as demonstrated in the tables below.

East Residential Phase

Unit Type	Units	Required Parking Stalls/Unit	Required Parking (Base Zone)	Required Parking (Old Town Overlay)	Parking Provided
Studio & 1 Bedroom	33	1.25	41	27	
2 Bedroom	16	1.5	24	16	
Totals	49		65	43	48

Adjacent On-Street Parking Provided	17
Total Parking Provided	65

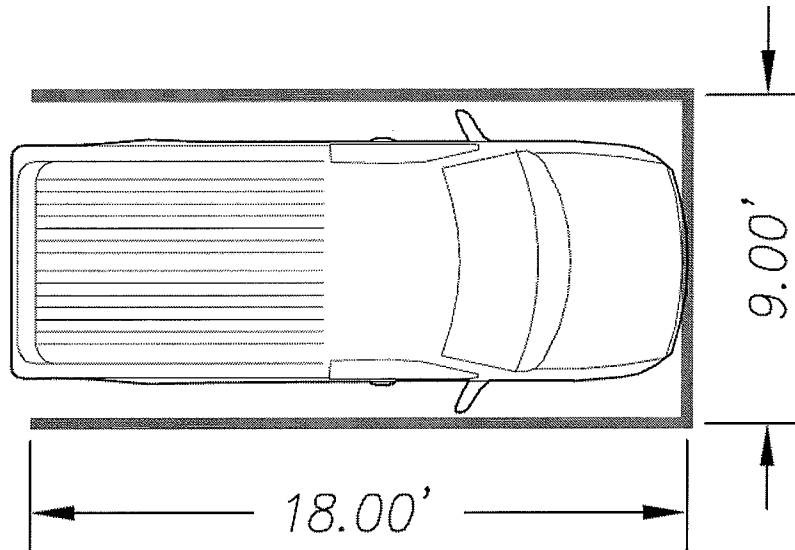
West Residential Phase

Unit Type	Units	Required Parking Stalls/Unit	Required Parking (Base Zone)	Required Parking (Old Town Overlay)	Parking Provided
Studio & 1 Bedroom	36	1.25	45	29	
2 Bedroom	16	1.5	24	16	
Totals	52		69	45	54

Adjacent On-Street Parking Provided	17
Total Parking Provided	71

2) Compact parking stall size

The applicant has requested that a higher percentage of parking stalls be allowed to be "compact." Section 16.94.020-1 defines standard stalls as 9' x 20' and compact stalls as 8' x 18'. The applicant proposes "compact" stalls at 9' x 18' and believes this size is adequate to accommodate larger passenger vehicles. No change in the required 24-foot wide parking lot drive aisles is proposed. Below is a scale drawing of Chevrolet Suburban, the largest likely vehicle to be accommodated, in a 9' x 18' "compact" parking stall.



3) Commercial loading.

The required loading spaces are shown on Sheets C3.0, C3.1 and C3.2 of the applicant's plan set. The loading space for the East Building is provided in the northwest corner of the parking lot, however the label was omitted from the site plan.

4) Residential height and scale

The Planning Commission requested additional information on the proposed scale of the residential buildings. To help clarify the design intent, attached is a perspective sketch of the residential buildings from the vantage point of one of the residences on the south side of Willamette Street. The drawing shows the proposed landscaping and proposed 3-story structures beyond.

Additionally, partial elevation sketches have been provided of the residential buildings as well as the proposed two story commercial structure (East Building) adjacent to the plaza and the existing City of Sherwood Public Library/City Hall, all at the same scale. The intent of this drawing is to show relative building heights (in feet) which vary based on floor-to-floor heights and roof types. The three story residential building is only slightly higher than the proposed two story commercial building and shorter than the existing two story Public Library/City Hall.

The proposed residential structures are within the zoning height limitation of the HDR standards (3 stories or 40 feet per Section 16.20.040-C) and well below the RC zone height standard of the Old Town Overlay (4 stories or 50 feet per Section 16.162.60-C). In addition to being approximately 25% lower than allowed by code, the Applicant believes the scale of the proposed buildings is appropriate for this development and the adjacent downtown Sherwood.

5) 10-foot residential setback.

This issue was raised by a citizen at the hearing. There is a 10-foot building setback required between RC property and HDR property as stated in Section 16.28.050-B. This standard does not apply in the Old Cannery Area as stated in Section 16.162.060.

6) Residential density and density clustering issues.

The Planning Commission sought a better understanding of the differences between the density allowed with or without a PUD and how this compares to the proposal. The following describes three development scenarios ranging from highest to lowest density. The analysis is based only on zoning code criteria; transportation constraints would likely limit densities, but theoretically these could be mitigated as well and so are not considered here.

Scenario 1 – Existing zoning (no PUD)

The majority of the site is zoned RC and there is no minimum or maximum density stated in the RC zone Section 16.28 or the Old Town Overlay standards Section 16.162. The amount of commercial building space and residential units allowed would be limited only by the dimensional standards (setbacks, height, and open space). Since there are no setbacks or open space requirements under the base zone and parking could be provided underground, the entire site excluding street rights-of-way could be developed with ground floor retail and 3 stories of residential above (see table below).

Scenario 1 - Existing Zoning (no PUD)

Land Use Zone	Land Area (SF)	Maximum Residential Density	Maximum Units
RC Zoned Property	159,087	3 Stories above Ground Floor Commercial (assumptions: 1,000 SF/unit average, 75% site coverage per floor)	358
HDR Zoned Property	54,775	8,000 SF Land for First 2 Units, 1,500 SF for Each Additional	33
Totals	213,862		391

Scenario 2 – PUD developed as all HDR (vertical mixed-use)

The code requires that multi-family residential be developed in a PUD as if it were in an HDR zone. This scenario assumes that the entire property is developed as multi-family residential. Maximum residential density is then determined by the amount of lot area needed per unit in the HDR zone (Section 16.20.040).



Scenario 2 - PUD Developed as all HDR (vertical mixed use)

Land Use Zone	Land Area (SF)	Maximum Residential Density	Maximum Units
RC & HDR Zoned Property	213,862	8,000 SF Land for First 2 Units, 1,500 SF for Each Additional	139
Totals	213,862		139

Scenario 3 – Proposed PUD (horizontal mixed use)

The Applicant proposes to cluster all 101 total units on the two lots that are bisected by the RC/HDR zone line (see site plan sheet C 3.0 of application book). These two lots would then be solely residential and the balance of the property (all with base zone RC) would be developed solely as commercial. This accomplishes the mixed-use nature that the base zoning and existing code contemplates, but in a way that the applicant believes is more appropriate for the site and its neighboring uses. The proposed PUD is 30 units below the maximum density under Scenario 2 above and significantly below maximum density allowed if no PUD were proposed as in Scenario 1 above (see table below).

Scenario 3 - PUD as Proposed (horizontal mixed use)

Land Use Zone	Land Area (SF)	Maximum Residential Density	Proposed Units
RC & HDR Zoned Property	213,862	See Scenario 2 above	101
Totals	213,862		101

Density Reduction from Scenario 1 Above

218

Density Reduction from Scenario 2 Above

139

7) Front porches on residential buildings

The Planning Commission asked for further clarification regarding the design intent for the front porches of the ground floor residential units. The staff report states that the applicant is requesting to modify the front porch requirement as part of the PUD approval. However the Old Cannery standards only apply to commercial, institutional and mixed-use structures in the Old Cannery Area and not stand-alone multi-family buildings per Section 16.162.080.

While the requirements of the Old Cannery Standards do not apply to residential buildings (meaning that technically no porches are required), the Architectural Pattern Book adds requirements similar to the Old Cannery Standards' front porch. The ground floor residential units will each have a porch fronting a public right-of-way; they will not quite meet the dimensional standards for covered space per the Old Cannery Standards Section 16.162.08-D (5' deep vs. 6' depth in the Old Cannery Standards), but will actually have larger total porch area than would otherwise be required (45 SF for a single entry vs. 36 SF in the Old Cannery Standards). They will also not have pitched roofs.

To clarify the design intent of the residential unit entries an enlarged portion of the site plan showing the proposed ground floor residential unit entries is attached.



Tom Nelson Comments for the Record on Sherwood Cannery Square PUD

Parking: While several of the citizens who provided testimony about the project were concerned with “parking”, the project proponent has met or exceeded parking standards for this development. This is a “public-private” partnership, and as such the City/URA will also create additional spaces around the public spaces which should further assist in parking demand.

In my experience in assisting other downtowns in the State, the perception of a “parking problem” is a consistent theme. However, it is rarely a reality. Contrary to what some citizens maintain about an existing parking problem in downtown, there is no evidence to support that conclusion. Except for the two events that generally close downtown to traffic “Crusin’ Sherwood and Robin Hood Festival”, people can find a parking spot within a block of their downtown destination any hour of the day.

Machine Shop / Cultural Arts Center / Cultural Arts Survey: Several comments have been made about the City’s obligation to provide a cultural arts facility in this development. The initial work done by David Leland and the subsequent RFP (both provided in recent written testimony) did not even envision a cultural arts facility. Furthermore, a community wide survey completed in 2008 resulted in little support for a specific cultural arts facility. One noticeable result of that survey reported that there was little support for paying for “programming” of a cultural arts facility with “tax dollars”.

However, based on an opportunity we had to purchase the “Machine Shop”, and some of the decision makers’ remarks, staff has worked with Capstone to include it as part of the development with the hope of utilizing approximately 5,400 s.f. of space for a Community and Cultural Arts Center. What is also being proposed is that some of the building be developed into leasable space that could generate revenue to support the on-going maintenance of the facility, and therefore recognize the outcome of the cultural arts survey.

Purchase Negotiations: The purchase and sale negotiations for the Cannery project are not germane to this land use decision. The City Council and the URA previously made decisions based on informed negotiations with Capstone.

The sales price of the Cannery property is a matter of public record, and is not germane to this land use issue.

While Capstone’s proposal did not exactly match the concept delivered by the Leland study, it most closely offered the elements of mixed use, residential, commercial, and retail. It also reflected the realities of the market. Capstone met with City staff and council representatives, David Leland, and our Realtors, Tony Reser and Colleen Coltery to review the proposal. All agreed that it was a good proposal, and a MOU was written and approved by the Council to proceed with negotiations. The City’s attorneys, realtors, and Capstone representatives, as well as the URA Board were all involved in

the negotiations for the property. As stated before, these negotiations are not germane to this land use decision.

Environmental Integrity: A Phase I and Phase II environmental assessment have been completed on the Cannery property and the Machine Shop property which determined that no environmental risks exist on the properties, except those identified on the Cannery property which have been removed. A letter of "No Further Action" will be received by DEQ for the Cannery property as a part of the owner's due diligence before transfer and development of the property.

Personal Attacks: Personal attacks in the written record are not germane to the land use decision, and should be stricken from the record.